OLL 85.3086

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TO:	ACTION	INFO
1. D/OLL		X
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Action Officer:
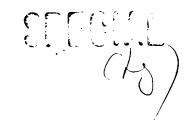
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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

September 17, 1985

LEGISLATIVE REFERRAL MEMORANDUM

TO: Department of Defense - Werner Windus (697-1305)

General Services Administration - Ted Ebert (566-1250)

Central Intelligence Agency

National Security Council

SUBJECT: Commerce (main Commerce) testimony on H.R. 2889, "Computer Research and Training Act of 1985"

The Office of Management and Budget requests the views of your agency on the above subject before advising on its relationship to the program of the President, in accordance with Circular A-19.

Please provide us with your views no later than

3:30 P.M. TODAY SEPTEMBER 17, 1985

Direct your questions to Gregory Jones (395-3454), of this office.

James C. Muir for
Assistant Director for
Legislative Reference

Enclosures

cc: S. Dotson
     E. Springer
     K. Sheid

U.S. DEPARTMENT OF COMMERCE

STATEMENT OF MR. DOUGLAS A. RIGGS

GENERAL COUNSEL

BEFORE THE SUBCOMMITTEE ON LEGISLATION AND NATIONAL SECURITY

COMMMITTEE ON GOVERNMENT OPERATIONS

U.S. HOUSE OF REPRESENTATIVES

SEPTEMBER 18, 1985

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

THANK YOU FOR THIS OPPORTUNITY TO TESTIFY ON THE IMPORTANT SUBJECT
OF COMPUTER SECURITY.   I AM ACCOMPANIED BY MR. RAY KAMMER, DEPUTY
DIRECTOR OF THE NATIONAL BUREAU OF STANDARDS.

MY TESTIMONY TODAY WILL CENTER ON THE COMPUTER SECURITY PROGRAM
BEING CARRIED OUT WITHIN THE DEPARTMENT OF COMMERCE AT THE NATIONAL
BUREAU OF STANDARDS; ON H.R. 2889, PRESENTLY BEING CONSIDERED; ON
THE NATIONAL SECURITY DECISION DIRECTIVE 145; AND ON A PROPOSED
GOVERNMENTWIDE PROGRAM IN COMPUTER SECURITY.

PUBLIC LAW 89-306 ESTABLISHED THE ROLES OF SEVERAL ORGANIZATIONS
FOR IMPROVING THE UTILIZATION OF COMPUTERS WITHIN THE FEDERAL
GOVERNMENT. THE DEPARTMENT OF COMMERCE DELEGATED ITS ROLE OF
DEVELOPING FEDERAL INFORMATION PROCESSING STANDARDS FOR IMPROVING
THE EFFECTIVE USE OF COMPUTERS TO THE NATIONAL BUREAU OF STANDARDS
(NBS). THE PRESIDENT HAS DELEGATED HIS AUTHORITY TO ISSUE THE

FEDERAL INFORMATION PROCESSING STANDARDS TO THE SECRETARY OF
COMMERCE.

THE INSTITUTE FOR COMPUTER SCIENCES AND TECHNOLOGY WAS ESTABLISHED
WITHIN NBS TO CARRY OUT THIS LEGISLATIVE MISSION. THE INSTITUTE
ESTABLISHED A COMPUTER SECURITY PROGRAM IN 1973. THE TESTIMONY OF
MR. BURROWS, DIRECTOR OF THIS INSTITUTE, OUTLINES THE ACHIEVEMENTS
OF THIS PROGRAM.

THE PROPOSED "COMPUTER SECURITY RESEARCH AND TRAINING ACT OF 1985"
ENHANCES THE ROLE OF THE NATIONAL BUREAU OF STANDARDS IN
COMPUTER SECURITY. THE CURRENT NBS SECURITY PROGRAM EMPHASIZES
THE DEVELOPMENT OF TECHNICAL AND ADMINISTRATIVE METHODS FOR
PROTECTING THE INTEGRITY, CONFIDENTIALITY AND AVAILABILITY OF
COMPUTER DATA. NBS NOW RELIES ON THE RESEARCH AND DEVELOPMENT
EFFORTS OF OTHER GOVERNMENT ENTITIES, PRIMARILY THE DEPARTMENT OF
DEFENSE. THE BREADTH OF THE NBS COMPUTER SECURITY PROGRAM AND THE
UTILITY OF THE RESULTING STANDARDS AND GUIDELINES HAS BEEN
RECOGNIZED. THE TECHNICAL DEPTH OF THE RESEARCH PROGRAM OF THE
DEPARTMENT OF DEFENSE PROMISES SIGNIFICANT RESULTS IN SPECIALIZED
TECHNICAL AREAS. APPROPRIATE TECHNOLOGY HAS BEEN TRANSFERRED FROM
THE RESEARCH PROGRAM OF THE DEPARTMENT OF DEFENSE TO THE NATIONAL
BUREAU OF STANDARDS BUT THERE HAS EXISTED NO INDEPENDENT RESEARCH
ACTIVITY OF SUFFICIENT SCOPE TO SUPPORT THE SECURITY PROGRAMS
SOUGHT BY MANY NON-DOD ORGANIZATIONS AND ACTIVITIES. THE
DEPARTMENT OF COMMERCE ENDORSES THE PROVISIONS OF THE BILL THAT
WOULD ESTABLISH THE NEEDED COMPUTER SECURITY RESEARCH PROGRAM AT

THE NATIONAL BUREAU OF STANDARDS AND THAT WOULD ADDRESS THE
PROBLEMS IN COMPUTER SECURITY THAT ARE NOT BEING ADEQUATELY
ADDRESSED TODAY.

I WOULD NOW LIKE TO PRESENT OUR VIEW OF THE NSDD 145. THE
DIRECTIVE STATES A SET OF REQUIREMENTS FOR PROTECTING CLASSIFIED
NATIONAL SECURITY INFORMATION AND OTHER SENSITIVE INFORMATION
CONCERNING THE VITAL INTERESTS OF THE UNITED STATES. IT THEN
ESTABLISHES AN ADMINISTRATIVE MECHANISM FOR ACHIEVING THE GOALS OF
THIS PROTECTION PROGRAM. THE DIRECTIVE SPECIFICALLY STATES,
"NOTHING IN THIS DIRECTIVE AMENDS OR CONTRAVENES THE PROVISIONS OF
EXISTING LAW, EXECUTIVE ORDERS, OR PRESIDENTIAL DIRECTIVES WHICH
PERTAIN TO THE PRIVACY ASPECTS OR FINANCIAL MANAGEMENT OF
AUTOMATED INFORMATION SYSTEMS OR TO THE ADMINISTRATIVE REQUIRE-
MENTS FOR SAFEGUARDING SUCH RESOURCES AGAINST FRAUD, ABUSE AND
WASTE." AS THIS HAS BEEN THE THRUST OF THE COMPUTER SECURITY
PROGRAM AT THE NATIONAL BUREAU OF STANDARDS, WE SEE NO CHANGE,
OTHER THAN A REQUIREMENT FOR COORDINATION, DUE TO THE DIRECTIVE.
WE FEEL THAT THE PROVISIONS OF THE PROPOSED LEGISLATION, THE
EXISTING LEGISLATION AND THE DIRECTIVE ARE CONSISTENT.

I WOULD NOW LIKE TO OUTLINE WHAT WE SEE AS THE NEXT STEPS TO
IMPROVE THE GOVERNMENTWIDE COMPUTER SECURITY PROGRAM. FIRST THE
PROPOSED H.R. 2889 SHOULD BE PASSED AFTER A FEW CLARIFYING
CHANGES.

SECOND, FOLLOWING PASSAGE OF THE CLARIFIED BILL, A MEMORANDUM OF
UNDERSTANDING SHOULD BE ESTABLISHED BETWEEN THE NATIONAL MANAGER
FOR TELECOMMUNICATIONS AND AUTOMATIC INFORMATION SYSTEMS SECURITY
(ESTABLISHED BY NSDD 145) AND THE DIRECTOR, NATIONAL BUREAU OF
STANDARDS, DELINEATING THE RESPONSIBILITIES OF EACH PARTY IN
JOINTLY FULFILLING THEIR COMPUTER SECURITY ASSIGNMENTS.

FINALLY, WE BELIEVE THAT A JOINT RESEARCH PROGRAM IN COMPUTER
SECURITY IS WORKABLE AND DESIRABLE. THE DEPARTMENT OF DEFENSE
WOULD FOCUS ON NATIONAL SECURITY AND THE DEPARTMENT OF COMMERCE ON
CIVIL CONCERNS SUCH AS ELECTRONIC FUNDS TRANSFER. THE EFFORTS
WOULD BE COORDINATED FOR PROGRAM EFFECTIVENESS AND TO AVOID
DUPLICATION.

THANK YOU. I AM AVAILABLE TO ANSWER ANY QUESTIONS THAT YOU MAY
HAVE.